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RECEIVED^{16 July 1999}

JUL 21 1999

FCC MAIL ROOM

Federal Communications Commission
Washington, DC 20554

Re: Complaint Against Talton Tele-Communications

In re: In the Matter of: Billed Party Preference for InterLATA 0+Calls, CC Docket Nol. 92-77 and Second Report and Order and Order on Reconsideration

Dear FCC:

My name is C. Elaine Ford. I am a citizen and resident of the state of Virginia. I have telephone service provided to me by Bell Atlantic of Virginia Beach, VA. I occasionally receive telephone calls from inmates in the North Carolina Department of Correction. I am a devout Christian woman and often allow inmates to call me for spiritual guidance and counseling, or for the simple fact they are lonely and distraught and need to know that someone on the outside cares about them.

The North Carolina Department of Correction (NC DOC) was allowing Pay Tel Telecommunications (Pay-Tel) to provide service for their inmate collect phone calls up until January 1998. During this Pay-Tel era the collect calls I received from NC inmates did not exceed \$5.00 for a ten minute call. The NC DOC also received commissions from Pay-Tel of approximately \$5,000 per month.

Since January 1998, the NC DOC has now contracted with Talton Tele-Communications (TTC) to provide collect phone service for its inmates. Since TTC has had this contract, I am assessed a \$7.00 fee for each 10-minute collect call I receive from a NC inmate, and from what I can deduce, I am paying close to \$4.00 if such call is for one minute or less. I had no idea why these calls were costing me so much until I recently learned of the fraud being perpetrated by TTC and the NC DOC. TTC also pays the NC DOC between \$600,00 and \$1 million in kickback commissions *each month*. This is highway robbery. This fraud I am alleging that has been ongoing between TTC and the NC DOC since January 1998 has cost me well over \$2000 in overcharges and I am now protesting and refusing to pay them anymore of my hard earned money.

I have also learned this month that TTC and the NC DOC are violating the Orders outlined above in the following manner:

TTC won the contract by offering the NC DOC the highest kickback commissions, rather than the NC DOC opting for the service provider who could provide the same quality of service at the best economic rate for the ones receiving the inmate collect calls, as well as providing a reasonable and fair commission for DOC. I do not think it to be reasonable that NC DOC required a minimum commission of 48.5% from a provider in order to get this contract, when DOC does absolutely nothing to earn it. They simply have control over the inmates and thus, have a monopoly to abuse in this manner. This is akin to violations of the RICO Act, price-fixing, and extortion.

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In order for TTC to get the contract, it had to calculate in their bid the overall costs it would incur *if* they were to provide the following services or restrictions for alleged security concerns: (These are found in the **Request for Proposal # OSC005, dated October 7, 1996**, located in the Office of the State Controller, State Information Processing Services, Administration Section, under the title: Public Pay Telephone Services for All Agencies - **Including Inmate Telephones**:

- a) Allowing inmates to make calls as specified in agency policy and procedures only (prohibiting three-way calling, etc.);
- b) Prohibiting chain dialing (Section 6.12.2);
- c) Requiring PIN (Personal Identification Numbers) to be used by inmates and to prevent other inmates from using another's PIN to make calls (Section 6.13.1);
- d) Having a program in place allowing each inmate not more than 20 pre-approved telephone numbers to call through Line ID Data Base (LIDB), and providing blocking of any particular number, and access to the numbers each time the inmate transfers, and addition or deletions to the list within 3 days after the inmate transfers (Section 6.13.7);
- e) Providing debit phone service (bar code reading) where the inmate uses a debit card to access the phone and where the collect call is automatically debited to and paid for out of the inmate's prison trust fund account each time he places a call, (Section 6.14.3);
- f) Providing voice identification services to prevent fraud use of the inmate phones;
- g) Restricting the inmates to a certain number of calls per week, per month and restricting each call to a certain number of minutes (I have just learned that NC DOC inmates in medium custody are permitted two (2) phone calls per month, but for some unexplained reason chain dialing exists);
- h) Provide detail reporting of calls from start to finish, to include attempted calls, (Section 6.12.7);
- i) Provide to the consumer, upon receiving the collect call, rate assistance (informing the consumer how to acquire the billing rate for the first minute and for each additional minute *before* accepting the call (See FCC Second Report and Order and Order On Reconsideration adopted and released on 29 January 1998, CC Docket No. 92-77, In the Matter of: Billed Party Preference for InterLATA 0+ Calls at p. 6186; § 64.710 (Operator services for prison inmate phones (a) (1) (2) (3) *et al.*
- j) Provide for consumers to have access to call 0+ 800 numbers to call attorneys and to

access a personal 800 number of a family member or friend. *Id.*

The NC DOC and TTC know that the above itemized and alleged security considerations have *not* been implemented in its inmate telephones. Yet, TTC included same into its estimate when assessing its overhead in the event it had to provide such services to the NC DOC, then calculated what price they would have to charge inmates to place intrastate and interstate calls in order to turn a profit and pay NC DOC the whopping, greedy, bloodsucking 48.5% kickback commission it demanded, and came up with the figure it now assesses against consumers like me. However, these itemized security restrictions are not currently in place, are not being provided, but we are still having to pay for them. This constitutes fraud in anyone's language.

TTC has another practice that is deceiving and causes a lot of consternation for the consumer. When we get our monthly bill from Bell Atlantic, it contains toll calls we have made or received that originate from non-prison telephones, as well as toll calls provided through TTC. One would assume that such bill includes all the TTC calls made during that one month billing period, particularly if you only receive calls from one prisoner or from prisoners at just one unit and the inmate has not transferred to another unit but has remained at the one unit for months.

Yet, when we get such bills and pay them, thinking we have paid our entire Bell Atlantic and TTC toll calls, TTC will advise us during the next month billing period that we still owe for calls dating back over a three or four month period. Money is already tight for us. Most of us live by budget and know how much toll calls we can stand. Then, after we have allotted money for such calls and anticipate what the next month's bill should be, we are caught by surprise with an astronomical sum to pay — that causes us to have to defer paying other bills or borrow money or risk having our telephone service terminated or blocked.

I have been caught off-guard like this and received phone bills for over \$700 and twice for over \$1000. This is akin to holding us hostage to highway robbery. Apparently these alleged security concerns are not security concerns at all or they would have long been implemented — long before Pay-Tel came into the picture and long before TTC came on board. We submit most of these alleged security concerns were exaggerated for the mere purpose to justify imposition of the higher rate calls for us. Gateway has stated it can provide the same security concerns and inmate collect only calls comparable to those rates charged by AT & T, MCI and other large carriers, *see OSP Reform Notice*, 11 FCC Rcd at 7301 (footnotes omitted), that would eliminate the fraudulent security concerns and excessive rates prison officials and carriers like TTC allege and charge. This is all a ruse to overcharge people like me who reside out of state, and it's not fair. Instead of ameliorating the situation for the helpless incarcerated people and assisting them in this viable rehabilitation effort with us, they exacerbate matters by acting like wolves over freshly killed prey . . . the prey of another's.

The rates of these collect calls are nowhere near fair and equitable for the consumer, either. If an inmate is fortunate enough to be assigned to a prison unit within his local billing zone, the receiver of his calls only pay \$.88 for a ten minute collect call. But many inmates are not so fortunate. Thus, their families have to pay higher rates to accept their calls and we are not allowed

to select the carrier to accept the call through (Billed Party Preference). The DOC can easily keep inmates out of their hometown areas for the mere purpose of forcing their families to pay higher intrastate costs for their calls.

I live just 35 miles away from Pasquotank Correctional Institution (PCI) in Elizabeth City, NC, and just 18 miles away from the North Carolina - Virginia state line. If an inmate calls me collect from PCI for ten minutes, it costs me \$7.00. If that same inmate calls me from Wilmington, NC or from Charlotte, NC or from Asheville, NC, the rate is the same, day or night, weekends, holidays and weekdays alike. It's either accept the inflated rates or refuse the call and not be able to talk to a love one or friend behind bars. Why aren't all phone calls from the prisons costing consumers the same rate, whether intrastate or interstate? Whether the inmate is assigned to his home district or is assigned anywhere throughout the state to help prevent this abuse and spread out evenly these high rates? I see this whole matter as a way to drain the consumer and hold our feet to the fires of greed and fraud. I therefore ask the FCC to investigate this complaint, and to takes such steps necessary to stop these overpriced tolls assessed against us, and to eradicate the fraud and to reassess the so-called security concerns and their needs that we are paying for and that are not being implemented. I adamantly refuse to pay these exaggerated and fraudulent rates and bills now assessed against me. If the FCC is not going to file stop these unfair and illegal practices, please advise so that I and others can file a suit against same. TTC has already blocked my phone service and has Bell Atlantic poised to disconnect my telephone service effective 19 July 1999 if I do not pay the bill — which I am not going to pay and which I am unable to pay. I have two daughters and a husband and only my husband works. I am a housewife and spend my time in the home and working for the Lord in our church.

Thank you for your kind assistance given to this urgent matter.

Sincerely,



C. Elaine Ford
1004 Mineola Drive, #202
Virginia Beach, VA 23464

Enclosures: (2)

Xc: File

Mr. J. Jerome Hartzell, *Esquire*, 2626 Glenwood Ave, Suite 500, Raleigh, NC 27608

9/18/98

DEPT OF CORRECTIONS

DATE	CHECK #	COMMISSION AMOUNT
10/20/97	30388	4820.07
11/20/97	30913	5331.67
12/20/97	31621	4656.72
1/20/98	14242	146767.54
2/20/98	14364	283911.90
3/20/98	14917	412535.91
4/20/98	15984	558915.56
5/20/98	34540	600000.00
5/20/98	16537	576502.26
6/20/98	17000	594552.42
7/20/98	17489	545706.83
8/20/98	18004	539090.76